STATE OF CALIFORNIA WATER RESOURCES CONTROL BOARD

DIVISION OF WATER RIGHTS

PERMIT FOR DIVERSION AND USE OF WATER

of Preferred Vineyard Properties, Inc.

Application 29267 of Preferred Vineyard Properties, Inc.							
2000 Main Street (Box 111), St. Helena, CA 94574							
filed on June 15, 1988, has been approved by the State Water Resources Control Board SUBJECT TO VESTED RIGHTS and to the limitations and conditions of this Permit.							
Permittee is hereby authorized to divert and use water as follows:							
1. Source:	Т	Tributary to:					
1. Lafranchi Creek	Redwood Cree	Redwood Creek thence					
	Maacama Creek thence						
	Russian River						
2. Redwood Creek	Maacama Cree	Maacama Creek					
2. Location of point of diversion:		40-acre subdiv	vision I survey thereof	Sectio	Town ship	Range	Base and Moridian
KNIGHTS VALLEY RESERVOIR DIVERSION TO OFFSTREAM STORAGE							
1. NORTH 1550 FEET AND EAST 75 FEET FROM THE SW CORNER OF PROJECTED SECTION 12		NW¼ OF SW¾		12	9N	8W	MD
2. NORTH 2225 FEET AND WEST 1600 FEET FROM THE SE CORNER OF PROJECTED SECTION 11		NW4 OF SE4		11	9N	8W	MD
OFFSTREAM STORAGE KNIGHTS VALLEY RESERVOIR		N ¹ 2		11	9N	8W	MD
County of Sonoma *projected							
3. Purpose of use:	4. Place of use:		Section	Town- ship	Range	Base and Meridian	Acre
FROST PROTECTION							
IRRIGATION	SW ¹ 4		7	9N	7W	MD	47.0
	NW4 OF NW4		18	9N	7W	MD	14.0
	N ¹ 2		11	9N	8W	MD	122.33
	Sl ₂		11	9N	8W	MD	69.78
	S ¹ 2		12	9N	8W	MD	202.52
	NW ₄		12	9N	8W	MD	14.37
	NEX OF NEX		13	9N	ws.	MD TOTAL	9.0 479.0

The place of use is shown on map on file with the State Water Resources Control Board.

Permit

The water appropriated shall be limited to the quantity which can be beneficially used and shall not exceed 35 acre-feet per annum to be collected from (0000005) November 1 of each year to May 15 of the succeeding year.

This permit does not authorize collection of water to storage outside of the specified season to offset evaporation and seepage losses or for any other purpose.

(000005I)

The maximum rate of diversion to offstream storage shall not exceed 10 cubic feet per second from Redwood Creek and 100 gallons per minute from Lafranchi Creek. (000005J)

- The amount authorized for appropriation may be reduced in the license if (0000006) investigation warrants.
- Construction work shall begin within two years of the date of this permit and shall thereafter be prosecuted with reasonable diligence, and if not so commenced (0000007) and prosecuted, this permit may be revoked.
- Construction work shall be completed by December 31, 1995.

(8000000)

- 9. Complete application of the water to the authorized use shall be made by (0000009) December 31, 1996.
- 10. Progress reports shall be submitted promptly by permittee when requested by (0000010) the State Water Resources Control Board until a license is issued.
- 11. Permittee shall allow representatives of the State Water Resources Control Board and other parties, as may be authorized from time to time by said Board, reasonable access to project works to determine compliance with the terms of this (0000011) permit.
- 12. Pursuant to California Water Code Sections 100 and 275, and the common law public trust doctrine, all rights and privileges under this permit and under any license issued pursuant thereto, including method of diversion, method of use, and quantity of water diverted, are subject to the continuing authority of the State Water Resources Control Board in accordance with law and in the interest of the public welfare to protect public trust uses and to prevent waste, unreasonable use, unreasonable method of use or unreasonable method of diversion of said water.

The continuing authority of the Board may be exercised by imposing specific requirements over and above those contained in this permit with a view to eliminating waste of water and to meeting the reasonable water requirements of permittee without unreasonable draft on the source. Permittee may be required to implement a water conservation plan, features of which may include but not necessarily be limited to: (1) reusing or reclaiming the water allocated; (2) using water reclaimed by another entity instead of all or part of the water allocated; (3) restricting diversions so as to eliminate agricultural tailwater or to reduce return flow; (4) suppressing evaporation losses from water surfaces; (5) controlling phreatophytic growth; and (6) installing, maintaining, and operating efficient water measuring devices to assure compliance with the quantity limitations of this permit and to determine accurately water use as against reasonable water requirements for the authorized project. No action will be taken pursuant to this paragraph unless the Board determines, after notice to affected parties and opportunity for hearing, that such specific requirements are physically and financially feasible and are appropriate to the particular situation.

The continuing authority of the Board also may be exercised by imposing further limitations on the diversion and use of water by the permittee in order to protect public trust uses. No action will be taken pursuant to this paragraph unless the Board determines, after notice to affected parties and opportunity for hearing, that such action is consistent with California Constitution Article X, Section 2; is consistent with the public interest and is necessary to preserve or restore the (0000012) uses protected by the public trust.

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- 13. The quantity of water diverted under this permit and under any license issued pursuant thereto is subject to modification by the State Water Resources Control Board if, after notice to the permittee and an opportunity for hearing, the Board finds that such modification is necessary to meet water quality objectives in water quality control plans which have been or hereafter may be established or modified pursuant to Division 7 of the Water Code. No action will be taken pursuant to this paragraph unless the Board finds that (1) adequate waste discharge requirements have been prescribed and are in effect with respect to all waste discharges which have any substantial effect upon water quality in the area involved, and (2) the water quality objectives cannot be achieved solely through (0000013) the control of waste discharges.
- 14. The State Water Resources Control Board reserves jurisdiction to impose conditions to conform this permit to Board policy on use of water for frost protection. Action by the Board will be taken only after notice to interested (0000020) parties and opportunity for hearing.
- 15. Permittee shall install and maintain devices satisfactory to the State Water Resources Control Board to measure the rate and quantity of water diverted into the reservoir from Lafranchi Creek and Redwood Creek, and water released from or (0060046) flowing out of the reservoir.
- 16. The total quantity of water diverted under this permit, together with that diverted under the permit issued pursuant to Application 26402, shall not exceed (0000114) 129 acre-feet.

This permit is issued and permittee takes it subject to the following provisions of the Water Code:

Section 1390. A permit shall be effective for such time as the water actually appropriated under it is used for a useful and beneficial purpose in a niformity with this division (of the Water Code), but no longer.

Section 1391. Every permit shall include the enumeration of conditions therein which in substance shall include all of the provisions of this article and the statement that any appropriator of water to whom a permit is issued takes it subject to the conditions therein expressed.

Section 1392. Every permittee, if he accepts a permit, does so under the conditions precedent that no value whatsoever in excess of the actual amount paid to the State therefor shall at any time be assigned to or claimed for any permit granted or issued under the provisions of this division (of the Water Code), or for any nights granted or acquired under the provisions of this division (of the Water Code), in respect to the regulation by any competent public authority of the services or the price of the services to be rendered by any permittee or by the holder of any rights granted or acquired under the provisions of this division (of the Water Code) or in respect to any valuation for purposes of sale to or purchase, whether through condemnation proceedings or otherwise, by the State or any city, city and county, municipal water district, irrigation district, lighting district, or any political subdivision of the State, of the rights and property of any permittee, or the possessor of any rights granted, issued, or acquired under the provisions of this division (of the Water Code).

Dated: MAY 0 7 1992

STATE WATER RESOURCES CONTROL BOARD

Division of Water Rights